

45

19549-50

File No. 596/48^{1L}

B CLASS

P.W. DEPARTMENT
EI. BRANCH

Subject:— Electricity Duty
Orders regarding

B[N]1950

12

File No.

596

/48

^{1L}

EI. Br

Correspondence

DOCKET SHEET (B)

Subject :—

File No.	596/48 II
	P.W. DEPT.
	EL. BRANCH.

References :—

Separated from the main file B [M.]

Date.	To whom sent.	Notes and instructions.

NOTIFICATION.
Revenue Department.
Bombay Castle, 31st May 1949.

Bombay Finance
Act, 1932.

No. 1595/45- The following draft of a notification which it is proposed to issue under ^{section} II of the Bombay Finance Act, 1932 (Bom. II of 1932), is published as required by sub-~~section~~ section (3) of the said section II for the information of all persons likely to be affected thereby and notice is hereby given that the said draft will be taken into consideration by the Government of Bombay on or after the 20th June 1949.

2. Any objection or suggestion which may be received by the Secretary to the Government of Bombay in the Revenue Department from any person with respect to the said draft on or before the aforesaid date will be considered by Government.

Draft Notification.

no.1595/45,- In exercise of the powers conferred ^{ed} by section II of the Bombay Finance Act, 1932 (Bom. II of 1932) the Government of Bombay is pleased to amend the Bombay Electricity Duty Rules, 1932, as follows, namely:-

In the said rules.-

(1) in rule 3,-

(a) after clause (i), the following clause shall be inserted, namely:-

"(i-a) number of units-energy supplied for purposes other than lights and fans as follows:-

(1) for power,

(2) for domestic appliances,

(3) for other purposes, if any,"

(b) in clause (iii) after the words "rate charged" words, brackets, figures and letter "shown separately in respect of clauses (i) and (i-a) above" shall be inserted;

(2) in rule 4, in paragraph (1),

(a) in clause (a) after the word "consumed" the.....

the words " for purposes of lights and fans" shall be inserted; .

(b) after clause (a) the following clause shall inserted namely:-

"(aa) number of units of energy consumed for purposes other than lights and fans as follows:-

(1) for power,

(2) for domestic appliances,

(3) for other purposes if any;"

(3) in rule 8 (a) in sub-rule (1), the words "for the purpose of lights and fans" shall be deleted;

(b) to sub-rule (1) the following proviso shall be added, namely:-

"provided that for the purpose of calculation of electricity duty payable by a consumer in respect of the period commencing on the 1st day of April 1949 and ending on the day on which his meter is read for the first time thereafter, the units of energy consumed by such consumer during the said period shall be determined on the basis of the daily average consumption of the units of energy recorded as consumed during the immediately preceding month";

(4) in rule 10,

(a) for the portion beginning with the brackets, figures and word " (1) ^{power} and ending with the word "leviable" where it occurs for the first time, the following shall be substituted, namely:-

"(1) lights and fans, and

(11) for any other purposes";

(b) the words " for lights and fans" shall be deleted;

(5) after rule 10 the following rule shall be inserted, namely:-

"10A: Lights and fans in industrial undertakings:-
Electricity duty on the units of energy consumed by any industrial undertaking for the purposes of lights and fans used for its undertaking shall be levied at the rate specified for any other purpose in the First Schedule to....
to....

5

(Below copy of draft notification, No.1595/45,
dated 31st May 1949).

No.1595/45-8.
Revenue Department.
Bombay Castle, 31st May 1949.

Forwarded to:-

The Commissioners of Divisions,
All Collectors (including the Collector of
Bombay),
The Electrical Engineer to Government,
The Public Works Department.

2. The officers are requested to forward object-
ions and suggestions which may be received by them
with their remarks thereon so as to reach this depart-
ment by 20th June 1949.

at the latest.

By order of the Governor of Bombay,

Sd/-

Assistant Secretary to the Government of
Bombay, Revenue Department.

7

596/48/37101

El.
~~El. Br.~~

P. W. D.

Govt. in the R.^{D.} proposes to amend the Bombay El^y. Duty Rules, 1932, as per draft notification within. The R.^{D.} requests that the objections and suggestions, recd. by this Deptt., in respect of the proposed amendment may be forwarded to the R.^{D.} with our remarks. So far, no objections or suggestions have been recd. from any party or the El^eEngr., to whom the R.^{D.} has sent a copy of the draft notifcn. direct. The proposed amendments do not seem to call for any specific remarks.

2. The draft put up may issue, if appd.

Id/-
12-7-49

Id/-
12-7-49

Letter.

596/48/37101

No. 596/48-E1.

P. W. D.

B. C., 13th July 1949.

To

The Secy. to the G. of B.
Revenue Deptt.

Sub:-Amendment of the Bombay
Ely. Duty Rules, 1932.

Refce:- Your endt. No. 1595/45-E, dated
the 31-5-49.

2. No objections or suggestions have been
mcd. so far by this Deptt. on the R.D. draft noti-
fication No. 1595/45, dt. the 31-5-49. This Deptt.
has no specific remarks to offer in the matter.

D.A. Nil.

By order etc.

Copy forwarded for information to the El.
Engr. to Govt. with refce to the R.D. enat. No.
1595/45-E, dated the 31-5-49.

Id/-

12-7-49

Id/-
12-7-49

No. Elg. 25/8317
Electric Grid Offices,
Foreshore Road,
Bombay 1: 20th May 1949.

To

The Secretary to Government,
Public Works Department,
Bombay.

Subject:- Electricity Duty on Factory lighting.

From an informal discussion with the Bombay
Electric Supply & Transport Committee, I understand
that in respect of electricity duty, a reference was
made to the Government in the year 1932 regarding exe-
mption of duty on the energy used for factory light-
ing. It was ruled at that time that if three or less
than three points were used for lighting office pre-
mises in the factory, duty will be levied only on
2 units, but if more than three points were used
for office lighting in the factory, all energy used
for.....

for lighting will be subject to duty as for ordinary lighting.

I shall be grateful if you will kindly furnish me with a copy of the relevant decision.

Sd/-

. For Electrical Commissioner
with the Government of Bombay.

No.1595/45/8720(b)-L.

Revenue Department,
Secretariat, Bombay (No.1)
~~27th~~ February 1950.
27th

To

The Collector of Poona.

Subject:- Bombay Finance Act, 1932.

Inspection of the books
of accounts kept under -

Reference your letter, No.E.O./W.S.8/5722/49,
dated 25th November 1949.

2. It has been decided by Government in the
Public Works Department to grant a licence under
Indian Electricity Act, 1910 to the Electric Supply
Co. at Bhor for the supply of electricity there.

It will, however, take some time before the licence
is actually granted.

By order of the Governor Bombay,

Sd/- B. T. NAYAK.

For Secretary to the Government of
Bombay, Revenue Department.

Copy to the Public Works Department.

F 53 13

New Delhi, the 14th May, '49.

Shri N. P. Dube, ~~Govt.~~
Under Secretary to the Govt. of India.

The Secretary,
Public Works Department,
Government of Bombay,
Bombay Castle,
B o m b a y .

Subject :- Levy of Electricity Duty.

2012/12/2

+ p 2
Aug
1944

W. L. L. L.

Under Secretary to the Govt. of India.

1948. 10. 10

21/10/2019

596/48
5860/36
33015

54

Pl. Br.

P.W.D

copy may be sent
to the C.S. & P.S.G.

1A

ISSUED
on 24/5/48

21
19/5/48

21/9/5/48

D.S
sany (a)

20/5

51-1745
11/5/11

P. W. D. 54/48
File No. 5860/36
Serial No. 33015

$$\begin{array}{r} 596/48 \\ 5660/36 \\ \hline 33015 \end{array}$$

P. W. D.

2. The St. Ingr may first be requested ^{us} to state whether any duty is being collected from the consumers saved by the Hubli fly undertaking, and if so, whether he has obtained any specific authority for doing so beyond that which is given to a licensee in section 6 of the Fly

Finance Act, 1932

Handwritten notes on a receipt:

- Top right: *24.9*
- Below top right: *30/5/49*
- Center: *2885*
- Bottom left: *31/8/49*
- Bottom center: *2885*

to H. Jr to Enr, 831 - 5.49

575 17

Below U.O.R.No.596/48/33045 dated the 31st May 1949, from Government in the Public Works Department.

=====

LRM11
No. 2182 of 1949.
Bombay, 25 June 1949.

Returned, with compliments.

2. Electricity duty is being recovered from the consumers at Hubli; but no specific authority has been obtained from Government for its recovery.


Electrical Engineer to Govt.

131. 23/6.
21. 2
-7

-596/48

4/686.



All communications should be addressed to the Secretary to the Government of India, Ministry of Works, Mines & Power, by title, NOT by name. Telegrams :

"WOMIPO."

7 57
GOVERNMENT OF INDIA.

Ministry of Works, Mines and Power.

No. EL - II/31(17).

Dated New Delhi, the 22nd July 1949.

From

Shri N.P. Dube M.A. (Cantab),
Under Secretary to the Government of India.

To

The Secretary to the Government of Bombay,
Public Works Department,
Bombay Castle;
B O M B A Y.

Subject:- Levy of Electricity Duty.

Sir,

I am directed to refer to this Ministry's letter of even No. dated the 14th May, 1949 on the above subject and request that the views of the Bombay Government in the matter may kindly be expedited.

Yours faithfully,

N.P. Dube
(N.P. Dube)

Under Secretary to the Government of India.

4
ELK.22.7.49.

60

ET.
2647.

P. W. D.	
File No.	596/48
487152	

27
11 61

596/48
48715

Gl. Br. (I)

P. W. D.

Submitted with reference to
the O. U. of the 30.5.49.

2. In view of the remarks of the Gl.
Eng. to Govt. it will be necessary
to consider the position in consultation
with the F. D. RD & the legal Dept. As
the Eng. are expediting in the
matter the draft ^{bH63} put up may
some of the papers will then
be resubmitted with the necessary
detailed note on the point.

421
23/8/49

A. A. S

pled
20/8/49

~~11~~ 596/48
~~63~~ 48715.

No 596/48 EL (I)

P. W. D.

B.C., 15 Aug 1949.
25

To

The Under Secretary to the Govt.,
Ministry of Works, Mines
& Power,
New Delhi.

Sub: — Levy of Electricity Duty.

Sir,

I am to refer to the
correspondence ending with your
letter ^{b75} No EL-II/31(17), of the 22-7-49,
and to state that the matter
is still under consideration this

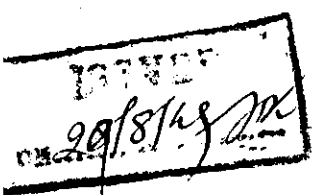
ent.

Yours truly.

D.A.:— Nil.

⁹³¹
23/8/49

same and resubmit.



AAS.

pled.
24/8/49

23 15 65 5260/36
50261

Note on Hubli Electric Supply Undertaking.

The Hubli Electric License, 1924 was originally granted to Messrs. R.L. Amte and S.S. Malimath carrying on business in partnership under the name and style of Amte and Company, Hubli, to supply energy within the area and upon the terms and conditions mentioned in the license. With the consent of Government, the license was assigned on the 28th January 1925 by this firm to the Hubli Electricity Company, Limited, a company duly incorporated under the Indian Company's Act, 1913 subject to the performance by the assignees of the obligations imposed upon the licensees by the said license and the Indian Electricity Act, 1910.

2. In December 1942, the District Magistrate, Dharwar, forwarded certain papers relating to gross inefficiency and mismanagement of the Hubli Electricity Company Limited and stated that the history of the Company for the last fifteen years had been one of repeated negligence, inefficiency and utter disregard of the interest of the public. Later during the same month he reported that the Company had entirely stopped supply of electric energy to the town of Hubli owing to the break down in the engines and that he had been receiving shoals of complaints from the general public, cinema houses and industrial concerns regarding this deplorable state of affairs. The Electrical Engineer to Government also entirely agreed with the District Magistrate regarding the extremely bad state of affairs with regard to the supply of electricity. The Sub Divisional officer, Telegraphs, Belgaum Sub-Division also complained that the Telephone Exchange Battery at Hubli was entirely dependent on the Hubli Electric Supply and as the supply was very irregular and faulty, the trunk telephone service Batteries could not be charged and kept up to the standard. In these circumstances Government informed the Company in April 1943 that Government was satisfied that there were sufficient grounds for revoking their license under section 4(1) of the Indian Electricity Act, 1910, but Government permitted the license to remain in force under section 4(2) of the Act subject to the conditions -

(i) that within a period of six months from the date of the letter they should recondition their plant and put the same in proper working order for the purpose of ensuring a continuous and efficient supply to all consumers. and

12

(ii) that they should make proper arrangements for the maintenance of the plants immediately.

A notice to the effect that should the Company fail to take necessary steps to fulfil the above conditions their license would be revoked was also given.

3. The period of notice expired on the 3rd October 1943. The District Magistrate, Dharwar, reported that the old defects continued as before and in certain respects the service had gone from bad to worse. Complaints from the general public and industrial consumers regarding the irregular, faulty and intermittent supply of electricity were being received off and on. The complaints received from the several quarters and reports of the Electric Inspector and the Electrical Engineer to Government indicated that the Company were unable to put the undertaking in satisfactory condition. In the circumstances the Company were notified in January 1944 that the license was revoked with effect from the 1st May 1944.

4. Under Section 5(b) of the Indian Electricity Act the Hubli Municipal Borough had the first option to purchase the undertaking with the consent of Government. That body having waived its right it was decided to require the licensees to sell it to some other person under clause (c) of Section 5 of the Act and applications were invited. In the meanwhile a notice of suit challenging the revocation of the license by Government was received from the Company's Solicitors; Government therefore decided to purchase the undertaking itself and then hand it over to any one by issuing a new license. The requisite order (vide Government Order No. 5660/36, dated the 29-4-44) was accordingly served on the Coy. asking it inter alia to give possession of the undertaking to Mr. Raghavan, Deputy Engineer, but the Company refused to give possession pending the settlement of the price and completion of the purchase of the undertaking. On account of the revocation of the license, the rights, powers, authorities, duties and obligations of the Company were revoked with effect from the 1st May 1944 and hence

hence they could not continue to supply electric energy eventhough they did not give the possession of the undertaking to Govt. It was considered necessary, in the interest of the efficient prosecution of the War (a Blanket factory was being run by the Department of Industries providing blankets for military) and for maintaining supplies and service essential to the life of the community, to continue the supply. Since the licensee failed to sell the undertaking to Govt. pending the settlement of price and completion of the purchase of the undertaking its control was taken over by Govt. in exercise of the powers conferred by sub rule (3) of rule 81 of the Defence of India Rules to keep it in working - vide G.O. No. 5660/36, dt. the 3-5-1944.

In order to keep the supply continuous from the 1st May 1944 it was not only necessary to take the possession of the undertaking but to require the staff essential for that purpose to continue in service. The Essential Services (Maintenance) Ordinance, 1941, was therefore made applicable in their case.

After the expiry of the Defence of India Rules from 1-10-1946 the control is being continued under the provisions of section 5 of the Indian Electricity (Bombay Amendment) Act, 1946, which was specially enacted to meet the case, as the purchase price of the undertaking has not yet been settled - vide para 5 below.

5. Regarding the question reld. to at 'A' above it is observed that Govt. appointed Mr. C.B. Marsh, late Electrical Adviser to the Govt. of Central Provinces to assess and report on the present fair market value of the undertaking in accordance with the principles laid down in the proviso to section 5(b) of the I.E. Act, 1910 and on the basis of this report Govt. made on the 26-3-1945 an offer of Rs. 6,76,364 to the Coy. for the purchase of the undertaking. This offer was not however accepted by the Coy. On the 21st Jany, 1946 the Coy. was definitely asked to put the offer before its Board of Directors and

to

to communicate the decision not later than the 21st March 1946 and further it was informed ^{inter}alia that in the event of it not accepting the offer the matter will be refd. to the arbitration as read. by the I.E. Act, 1910. The Coy. however did not accept this offer and raised certain objections before doing so: On the advice of the Solicitors to Govt., Govt. therefore decided to proceed with the arbitration ^{ex}parte and appointed Mr. H. J. Mullen^{aux}, Chartered El. Engr., as sole arbitrator in the matter. Mr. Mulleneux has recently submitted a report reg: the valuation of the undertaking but has not given his award in the matter, which is awaited.

6. After the revocation of the license the Coy. filed in the High Court two suits against Govt. - Suit No. 610 of 1944 challenging the validity of Govt. Order ~~NR~~ No. 5660/36, dated the 28-1-1944, revoking the license and suit No. 1385 of 1944 challenging the validity of Govt. Order No. 5660/36, dt. the 3-5-1944, taking over the control of the undertaking under the Defence of India Rules. Both these suits were decided in favour of Govt. in 1945. The Coy. then appealed against the judgement of the High Court in both these cases and these appeals were also decided in favour of Govt. in October 1946. Subsequently the Coy. went in to appeal to the Privy Council in respect of both these suits and these appeals have also recently been decided in favour of Govt.

7. The Coy. has filed as yet another suit against Govt. in 1947 claiming certain large amounts by way of damages and/or compensation for controlling and working the undertaking since May 1944. The subject matter of this suit is at present under negotiations between the Govt. Solicitors and the Coy's Solicitors. As a result of these negotiations the Govt's Solicitors have very recently made certain proposals reg: payment of interest at 4% to the Coy. on the capital sums ultimately found due to the Coy. and the appointment of another arbitrator along with Mr. Mulleneux to determine the purchase price of the undertaking. These proposals are under separate consideration.

ad. S.S.G.
29.8.49

19769

596/48
48715

El. Br (I).

P.W.D.

Submitted with reference to the
Govt. letter ^{p13} of the 14.5.49.
2. The attached ^{Wb 13.16} copy of the
note recorded on author file (no
5660/36/50261) gives the detailed
history of the Hubli Ely undertaking.
The license granted to the Hubli
Ely Coy. Ltd, was recorded with
effect from the 1st May 1944 and
since then the undertaking is
being run by Govt. No license
under the G.E. Act has been
considered necessary for running
the undertaking by Govt.
3. Section 6 of the Hyderabad Finance Act,
1932 authorises the 'licensee' ⁺
under the G.E. Act to collect the
electricity duty. The question
^{p1} raised by the Govt. in these
papers is whether the action
of Govt in recovering the
electricity duty from the consumers
served by the Hubli Ely undertaking

+ P. W. D. 19769

596/48
48715

after the revocation of the
license without either amending
the Bay Finance Act, 1932 or
issuing a license to the
Debt running the undertaking
is in order. From the U. S. report
p. 5 it will be seen that
no specific authority has been
obtained from Govt for
collecting the U. S. duty.

4. The R. L. A. may be requested
to consider the point raised
by the Govt. and to advise
what action may be taken
to regularize the position.
The Bureau may be asked to
that Mrs. Mrs. M. F. D. & Res.
Debt.

AM
3/12/49

HJ3/12/49

✓
RS
cc to F. D. & L.
& R. L. A.

✓. cc - Fin Debt, Rev Debt & R. L. A., of 6.12.49

ST
6/12/49

W. G. Galt
7-12-49

The point raised is whether the recovery of electricity duty under the Finance Act [since the management of the Company has been taken over by Govt.] by the Hubli Electricity Co. is legally correct, and if there is & was any legal flaw, how should the position be regularised.

fy a Hatched

2. The charging section of Part II of the Finance Act makes no mention of the word licensee. There is therefore nothing illegal in the recovery of the Electricity Duty itself from the date on which the license of the Hubli Electricity Supply Co. was revoked. The trouble, if at all there is any, arises only in respect of the mode of recovery, namely, whether after revocation of the Company's license, the officer viz. the Dy. Engr., in charge of the Co. could under the provisions of Part II of the Finance Act recover Electricity Duty. Under this Part of the Finance Act the responsibility of collection of electricity duty is placed upon licensees; and on such other persons who may be generating electricity for their own use. The question of legality is raised because the Hubli Electricity Co. which is under Govt. management has not been given any license which could qualify ^{it} for collection under the definition of the word 'licensee' given in the Act nor could powers of collection vest in it by virtue of section 6(4) of the Act. It is therefore true that under Part II of the Fin. Act the Hubli Electricity Co. has no power to collect Duty. It must however be borne in mind, that the Hubli Electricity Co. is managed by Govt. and that as soon as the purchase price etc. is settled it would become a regular Govt. undertaking. Already for all practical purposes the Co. is Govt. and there is nothing ~~wrong~~ wrong nor illegal.

illegal if Govt. chooses to recover Electricity duty itself departmentally instead of asking ~~the~~ licensees to do that job. The work was entrusted ^{under the Act} to licensees because that procedure was considered more convenient. Govt. obviously possesses inherent powers to collect the tax Depttl. if circumstances so necessitate.

3. If the above view be correct no amendment of the Act ~~is~~ would appear necessary. In case it is considered by the LD. that Govt. has no such power, it may be pointed out that the difficulty can possibly be solved by issuing license in the name of the Dy. Engr. who is in charge of the ~~the~~ concern, retrospectively. This arrangement would be necessary only till the Electricity Board contemplated in section 5 of the Indian Electricity (Supply) Act. is formed and starts functioning. All Govt. Electricity undertakings, along with the other generating centres established under Grid Scheme, would probably be controlled by the board and section 26 of the Act provides that a license issued to a Board shall have all powers and obligations of a licensee under the Indian Electricity Act, 1910. The difficulty experienced in the present case would therefore not be experienced then.

4. Briefly FD ^{is} advise may be:-

- (i) there is nothing illegal in the recoveries of the duties made so far.
- (ii) no amendment of the Act is necessary for Govt. possesses inherent powers to collect the tax departmentally when no substitute agency exists or is possible in the peculiar circumstances;
- (iii) the difficulty can possibly be solved by ~~some~~ arrangement wherein the revoked license may be issued in the name of the Dy. Engr. in charge of the Co. retrospectively, thereby avoiding an amendment of the Act.

5. The pps. may be passed on to RD. with the above note.

6. The PWD. may kindly be requested to endorse to this Deptt. a copy of the RLA's opinion on this case.

I think legal opinion should be taken whether the view above is correct.

REVENUE DEPARTMENT	
File No.	7.12.49
Date	
Serial No.	L 25

Don

D.S. (P.R.)

Mem. to R.D. dt 8/12/49

33 73 74

Rev. Dept.
L Branch.

These papers may be
passed on to R. L. A. with the
expression of concurrence with the
I. D. note, dated 8-12-1949.

THE SECRETARY TO THE
LEGAL COUNSEL
FILE NO 21416 22-12-49
AND NO 28.12.49
A

~~DN~~
23.12.49

S. A. 2



a-o-2 R. L. A., dated 24th Dec-1949.

The Bombay Finance Act, 1932, sections 5, 6 and 9. Recovery of electricity duty from consumers supplied by Hubli Electric Undertaking.

The Hubli Electric Licence which was granted to Messrs. Amte and Malimath in 1924 was revoked with effect from 1st May 1944 and the control of the undertaking was taken over by the Provincial Government under Rule 81(3) of the Defence of India Rules. The Provincial Government has continued to exercise the control under section 7A of the Indian Electricity Act, 1910, as inserted by the Indian Electricity (Bombay Amendment) Act, 1946. Since the Provincial Government has been operating the undertaking without a licence, the Government of India has viewed with doubt the legality of the electricity duty levied under the Bombay Finance Act, 1932. The R.L.A. is requested to advise.

The view taken by the Government of India is not correct. Under section 5 of the Bombay Finance Act, 1932, the duty is leviable and payable to ~~the~~ Government of India on the units of energy consumed. Consequently, the consumer of energy would be liable to pay the electricity duty under section 5 on the units of energy consumed by him. It is true that under section 6(1), the licensee is required to collect and pay to Government the electricity duty but in so collecting the licensee would be considered as a statutory agent of Government. Sub-section (2) of section 6 in terms reserves the right of Government to recover the amount under section 9. Under section 9 Government is given power to recover either through a civil court or as an arrear of land revenue if the sum payable under section 6(1) or under section 6(4) has not been paid. Although section 6(1) and section 9 would not be applicable to the recovery of electricity duty by a non-licensee, the levy of such duty in the case of supply of energy by a non-licensee as in the present case would certainly be lawful under section 5.

~~section 5.~~ The Act does not expressly provide for the recovery of the electricity duty leviable otherwise than through a licensee. Since, however, the levy itself is lawful, the recovery would also be lawful. However, in such cases where the consumer does not pay the electricity duty, a mode of recovery will have to be provided for by expanding the scope of section 9.

Green 6/1/50

Remembrancer of Legal Affairs.

U.R. to P.W.D., No. 256

dated the 7th January 1950.

✓ LDR. 5.1 P. W. D. 596/48
Serial No. 1681
7
sub R.

All communications should be addressed to the Secretary to the Government of India, Ministry of Works, Mines & Power, by title, NOT by name.
Telegrams :
"WOMIPO."

448 682 1 79
GOVERNMENT OF INDIA
Ministry of Works, Mines and Power

No. EI-II/31(17)

Dated, New Delhi the 13th Dec., 1949

From

Shri N.P.Dube, M.A. (Cantab),
Under Secretary to the Government of India.

To

The Secretary to the Govt. of Bombay,
Public Works Department,
Bombay Castle,
BOMBAY.

Subject:- Levy of Electricity Duty.

Sir,

I am directed to refer to the correspondence ending with your letter No. 596/48- EI(I), dated the 25th August 1949 on the above subject, and to request that the views of the Bombay Government on the subject may kindly be expedited.

Yours faithfully,

(N.P.Dube)

Under Secretary to the Government of India.

+ on 12/12/49
596/48
48715
FD, RD, RLA
on 5.12.49
↓
to RD on 8/xii
with RLA
24/12

A.NATH.
12/12/49-

596/48
85113

7
20/11/50

El. Engr. (I).

P. W. D.

Submitted.

2. The main file on the
subject has been refd
us. to Mr. R. L. A. on 5-12-49
Mr. F. D. & Rev. Dept for
advice ~~whether~~ what action
is necessary to regularise
the recovery of ely duty
from the consumers at Hubli.
3. The ~~Dept~~ ^{p. 3} but it may
wise & the ~~Dept~~ may
then be refd us. to
Mr. R. L. A. Mr. F. D. & R. D.
with a request to exhibit
the return of the main
case with his advice.

+ NO 596/48
48715

24
21/12/49
21/50

D.S

14/3/1/50

Let to El. Engr. to Govt 6/12

8/11/14/12
24/12/14

596/48
85113
11 11 11

3
~~285~~
81

596/48
85113

No 596/48 EL (I).

PWD

B.C. (Blay no.1),
4th Jan'y 1950

To

The Under Secretary to the Govt.,
Ministry of Works, Mines
& Power.

Subj: — Levy of electricity duty.

Sir,

I am to refer to
your letter ^{P. 286} No EL-II/31 (17), dated
13-12-49, and to state that
the question is still under
consideration of this
Govt and a further communication
will be made to you as
soon as a decision is taken.
Yours ffly.

D.A: - IVd

221
31/12/49
21/50

same & refer to R.L.A. Memo.
F.D & R.D.

955423
5/1/50

R.S.

4/3/1950

596/48
85113

82V
same as
9/1

(9-212)

✓
to F.D., R.D. & R.L.A. 10-1-50

Finance Dept.
S.D.

The papers in question have
been passed on to R.D. on
8.12.49. This may be passed
on to the Dept. in continuation

ST
12.1.50

✓ 12.1.50
10/1

AS
11.1.50

mm
11.1.50.

REVENUE DEPARTMENT	
File No.	55
Date	12-1-50
Serial No.	L

A.S. (A.R.)

now to R.D. d. 12.1.50.
L.D.

13/1

Rev. Dept.
L.R.

The papers in question have
been passed on to R.L.A.
on 24-12-1949. These papers
may also be passed on to
them in continuation

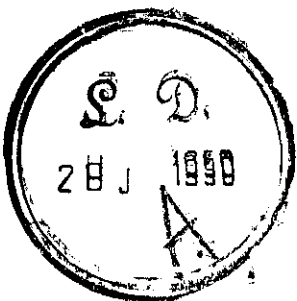
PUBLIC SECRETARY TO GOVERNMENT R.L.A. DEPARTMENT	
File No.	1224
Cub No.	21-1-50
Dept.	A

17-1-50.
18

18.1.50.

S.A.S

now to R.L.A., dt. 19th Jan. 1950.



F

Rev.
R.L.A.
19/1

R. and due to
R.D.
18.1.50

596/48
85113

82

same n.o.

9/1

(9-252)

✓
to F.D., R.D. & R.L.A. 10-1-50

Finance Dept.

S.T.

The papers in question have
been passed on to R.D. on
8.12.49. This may be passed
on to that Dept. in continuation

ST
12.1.50

L.H. 11/1
10/1

AS
11.1.50

mm
11.1.50.

RE. ENUE DEPARTMENT	
File No.	55
Date	12-1-50
Serial No.	L

A.S. (A.R.)

now to R.D. d. 12.1.50.
L.Q.

13/1

Rev. Dept.

L.R.

The papers in question have
been passed on to R.L.A.
on 24-12-1949. These papers
may also be passed on to
them in continuation

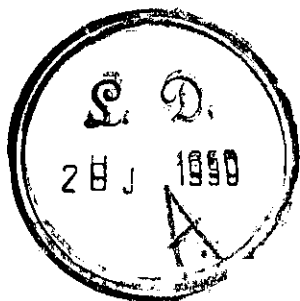
THE SECRETARY TO GOVERNMENT OF A. DEPARTMENT	
File No.	1224
Sub No.	21.1.50
Dept.	A

17-1-50.
18

18.1.50.

S.A.S

n.o. to R.L.A., dt. 19th Jan. 1950.



Rev.
R.D. 2-0.
to R.L.A.
19/1
19/1

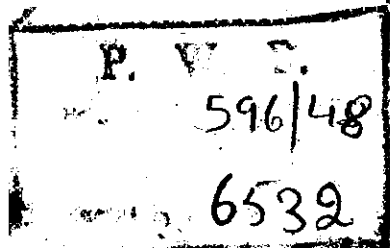
R.D.
R.D. and then to
18.1.50

80
83

L.D

Submitted

Please see the P.W.D. reminder on
p 2 ante. The case was received through
the R.D on 28-12-48 and has been
returned to P.W.D under this Dept UR
No. 256 of 7-1-1950. This may be
returned to P.W.D in continuation



23.10
23/1/50

A.A.S. E.L.
28/1

UR. to P.W.D No. 1108

By 24-1-1950

~~85~~
32
L15-

596/48
6532

El. Br (I).

P.W.D.

Submitted with reference to the
Wh 17-18
O.N. of the 3.12.49.

2. The notes of the F.D. & R.D. under
the opinion of the R.L.A. are on
Wh 19-24 ante. It will be
for the F.D. to take action on
the suggestion in the concluding
portion of the R.L.A.'s opinion
p 24
3. The Engr may now be informed
as per draft sent up for approval, which
may be shown to the F.D. before
issue.

821
4/2/50
6

4/2/50

W 5

Secy after approval

Fin Debit, 17: 2.50

FINANCE DEPARTMENT	
File No.	ST
Date	4/2/50
Serial No.	4/2/50

LE
N. G. G. G. G.
8/2

Finance Dept.
S.T.

Submitted with ref. to office
note d. 8.12.49.

2. The suggestion made
in the concluding portion of
R.L.A.'s note, is pertinent to
Administration of Electricity District
and is as such for the R.D.

to take up. The amendment to section 9 of the Finance Act, as finalized in consultation with the L.D. may be forwarded to the Deptt for inclusion in the Finance Amendment Bill.

The proposed amendment, it may be made clear, cannot now be included in the Bill for 1950; nor is there any urgency for hurrying it through.

3 The letter to Govt of India is slightly modified in pencil. May issue first, and the P.W.D. may then pass on copies of the relevant papers to R.D. for necessary further action.

9.2.50.

9/2/50

Letter to P.W.D. dated 9.2.50.

D.S. (R.R.)

Ex. Br (I).

P.W.D.

ELC(1)
13/2
12/11/50

Submitted with reference to the O.N. order.

596/48.

2. The draft letter sent as modified by the P.D. may now issue, if approved.

11366.

27/11/50
28

P.S.

Re.D. mand sum m
depr, refer 11/2/50

Secy

REVENUE DEPARTMENT
File No. 3.3.50
Serial No. L

to Rev. Deptt. 3.3.50

4.50

34
87 7

596/48
6532

No 596/48 EL (I)

P.W.D.
B.C. (rday no 1)

20th Feb 1950
March

To

The Under Secretary to the Govt,
Ministry of Works, Mines &
Power,
New Delhi.

Sub — Levy of electricity duty.

Sir,

I am directed to refer to
the correspondence ending with this Govt
letter ^{page 81} no 596/48 EL (I), of the 4-1-50, on
the above subject and to state as follows.

+ 1210 . 6
" 7 . 1
" 68

2. The Hubli Electric license, which was
originally granted to Messrs R. L. Anand
and S S Mahimath in 1924 and subsequently
assigned in 1925 to Messrs the Hubli Elec
Co., Ltd, was revoked with effect from
the 1st May 1944. Since the licensee
failed to sell the undertaking to Govt
pending the settlement of price and
completion of the purchase its control was
taken over by Govt under rule 81(3)
of the Defence of India Rules. After
expiry of these rules, Govt has continued
to exercise the control under section 7A

546/48
6532

88

of the I.E. Act, 1910, as inserted by
the Indian Ely (Bbay Amendment) Act,
1946, as the purchase price of the
undertaking has not yet been settled.

+ will be
the
regd

3 As regards the specific point raised
in your letter of 14.5.49 reg. ^{the legality} ~~recovery~~
of the ely duty, ^{recovered} from the consumers
served by the Hubli Ely undertaking

a copy of the opinion of the R.L.A.
to this effect is enclosed for your
information. It will be clear therefrom that
the duty is certainly lawful and
that although the Bbay Finance Act, 1932
does not expressly provide for the mode of
recovery of the ely duty leviable otherwise
than through a licensee, the recovery in ^{of} amounts
legally due to Govt. in this case is not considered unlawful
~~this case is considered lawful~~
~~this duty itself is lawful.~~

I am to add that this Govt is
taking necessary action with reference
to the suggestion in the concluding
portion of the R.L.A.'s opinion referred
to above

D.A. - Copy of opinion

Copy with copies of letter No EC II, 31 (17),
of the 14.5.49, from the Ely Ministry
to the Finance Dept. and of the Ministry
No 250, of the 17.1.50, of the R.L.A.
forwarded to you.

Orders issued after consultation with
FD - Revenue Department
Notes read with 17.1.50 and 14.5.49
to be seen when required.

The F.D. [for necessary action with
reference to the suggestion in
the concluding portion of the
R.L.A.'s opinion]

The R.D.
The Secy to Govt

with acc.
17/1/50

7/1-
5/1-
6

14/6/49

26
89-11

Rev. Dept.
L. Branch.

Submitted with ref. to the
office note, dated 18-1-1950.

2. These papers may be sent
u.o. to the P.W.D. with the
expression of concurrence with
draft reply proposed to be given
to the Govt. of India as amended
by the I.D.

3. Necy. action will be taken
on receipt of ^{copies of} relevant
papers from the P.W.D. with
ref. to it of R.L. S's opinion

13-3-50

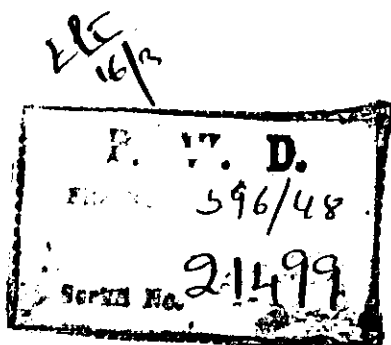
BN
14-3-50

S.A.S.

D.S.

14/3

u.o. to P.W.D., dated 15th March 1950



EC. Br (I).

P.W.D.

Submitted with reference to
p 33
the scip index, 8 28 2-50.

2. The R.D. agrees to the
proposed reply which may now
be sent

521
17/3/50

17/3/50

ELI. I
16